

CHAIRPERSON 'S ADDRESS DEVELOPMENT DIALOGUE ON

POVERTY AND INEQUALITY

24TH JULY 2012

Dear Mr. Rachid Benmessaoud, Country Director, World Bank, Pakistan

Mr. Nadeem UI Haque, Deputy Chairman, Planning Commission

Distinguished Guests

Asalam-u-alikum and Good Afternoon

Ladies and Gentlemen

It is not only terrorism, which poses a serious threat to world peace and development; rather, widespread poverty and inequality have equally serious risk for global development and growth.

Though poverty has always been present, both in rich or poor nations, leading to socio-economic inequality yet poverty is a gross violation of Human Rights.

The distressing impact of poverty does not only concern development professionals rather it concerns the humanity at large.

On throwing a cursory glance on the condition of poor, we notice widespread diseases, malnutrition, disabilities, and continued state of oppression.

Distinguished Guests

The multitude of problems linked with poverty require a comprehensive eradication strategy. Having an effective and meaningful dialogue on the subject, as we are having today, can go a long way in proper identification and assessment of root causes of poverty.

The purpose of development is to reduce poverty, inequality, and unemployment. Major objectives of development discourse are to reduce poverty and to provide basic needs. Growth without addressing the root causes of inequality can result in a larger gulf between the Haves and Have nots.

Development implies change. We must assess the existing state of socio-economic structures in accordance with the governance issues, and carry out a resource analysis for economic and social transformation.

Ladies and Gentlemen

My four years long association with Government of Pakistan's flagship initiative for poverty reduction and women empowerment has not only provided me a platform to address the issue of poverty and inequality in Pakistan, it has also enabled me to develop an understanding that poverty cannot be alleviated without removing inequalities.

It gives me immense sense of pride to share with you that Benazir Income support Program has been able to generate a reliable and scientific databank on poverty and inequality through Poverty Scorecard Survey.

We at BISP have been able to conduct a countrywide Poverty Census for the time first time not only in Pakistan but also in entire South Asia. Through this census socio-

economic data of almost 165 million (16.5 Crore) people of Pakistan has been collected for the first time.

BISP has identified approximately 7 million recipient families (almost 42 million individuals), who are living in extreme poverty, for the provision of several social safety benefits provided under the umbrella of BISP.

As you all must be aware that through use of GPS devices now BISP has the mapped data of the entire country for informed decision making; especially to cope with natural disasters and other emergencies.

This largest and most reliable data bank of socio-economic conditions of the country can be utilized for planning social, health and education policies, and strategies.

We have also developed detailed data sharing protocols because we want maximum use of this data. All Government Agencies, Provincial Governments, NGOs, National and International Donors, Academic & Research Institutions can obtain data from BISP to formulate informed and targeted policies and strategies.

It is imperative on both government and non-/government organizations to use BISP database effectively to monitor trends in poverty and inequality, to support scientific analysis of poverty and inequality and to further develop policy on poverty and inequality

I feel specially happy to share that we already have shared data with more than ten different national and international agencies.

Dear Guests

In any society, there always happen to be an economically weaker segment vulnerable to the poverty trap. Once they are gripped by poverty, economic system in place has no 'touch-button' solution to provide them a level playing field. It is here that Social Safety Nets (SSNs) as an interim measure intervene to break the vicious cycle of poverty.

Special programmes for poverty alleviation are necessary, especially for countries like our own. They are necessary to alleviate poverty within broader macroeconomic growth policies that take a long time to trickle down benefits to the poor and disadvantaged.

Social Safety Nets aim at enabling the poor to better manage the risk. BISP has both a Short Term and a Long Term Strategy to cope with the poverty in the country.

In short term strategy so far more than Rs 120 Billion have been disbursed to its recipient families as cash grants.

For Long Term Strategy, BISP has simultaneously launched an “exit strategy” to help its recipients “graduate” out of extreme poverty.

This includes the launch of programmes like: Long Term Interest Free Micro Finance; Vocational & technical Training; Life and Health Insurance Cover; and promotion of Education among the most marginalized segments of our society.

Ladies & Gentlemen

Poverty knows no boundaries and has no religion or nationality. Inequality and poverty requires integrated action both at national and international level.

There is a need to “ACT LOCAL BUT THINK GLOBAL”.

BISP is doing its part in this crusade against poverty and inequality but to defeat this monster of poverty we all national, regional and international stakeholders must join hands to launch an integrated campaign against poverty and inequality.

After the 18th Amendment and the new NFC Award, now it is imperative that Provinces realize their role and play an active part in this fight against poverty.

Here I would like to suggest that Provinces should allocate certain percentage of their enhanced share, out of NFC, for social safety initiatives dealing with poverty, inequality, health, education and social protection.

Provinces should come up with strategies and plans where billions of tax payers' funds are not wasted in useless schemes designed only to gain political mileage.

Rather these funds should be utilized in scientific, targeted, transparent and multi-dimensional programs aimed at poverty alleviation, reduction of inequalities, and enhanced employment opportunities especially for the vulnerable youth of our country.

Another major step is that we have to establish new partnership between Government, Companies, and Civil Society. Especially there is a need to mobilize support from corporate sector; as corporate sector holds the major chunk of national wealth.

Without the support of corporate sector no government in the world can deal with the issues of social protection on its own.

Contribution of business to sustainable development is vital if we want to win this war against poverty and if we want to achieve the targets set by Millennium Development Goals.

Distinguished guests

In the end, I must emphasize that we are fighting this ongoing 'war on terror' through both conventional and unconventional means. We are fighting conventional war through our brave armed forces. And we are fighting unconventional war through BISP.

Terrorism and fundamentalism penetrates in the masses through decades of deprivation, poverty and inequality. Similarly, the strategies and policies designed to counter this menace also take time to bear the desired fruit.

We should not get impatient. Rather key to success in this war is patience, honesty, and dedicated effort.

We are following these rules and I am very much optimist that with the support of our national and international partners we would be able to eradicate these monsters of poverty and terrorism from our beloved country once and for all. InshAllah.

Thank you very much.